



**FEDERAL ELECTION COMMISSION**  
WASHINGTON, D.C. 20463

Sean Cairncross, Esq.  
Chief Counsel  
Republican National Committee  
310 First Street, Southeast  
Washington, DC 20003

**MAY 15 2009**

**RE: MUR 6105**  
**Republican National Committee and**  
**Tim Morgan, in his official capacity**  
**as treasurer**

**Dear Mr. Cairncross:**

On October 29, 2008, the Federal Election Commission notified your client, the Republican National Committee and Tim Morgan, in his official capacity as treasurer (the "RNC"), of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 30, 2009, the Commission found, on the basis of the information in the complaint, and information provided by your client, that there is no reason to believe the RNC violated the Act. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analysis, which more fully explains the Commission's findings, is enclosed.

If you have any questions, please contact J. Cameron Thurber, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script, reading "Susan L. Lebeaux".

**Susan L. Lebeaux**  
**Assistant General Counsel**

**Enclosure**  
**Factual and Legal Analysis**

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**FEDERAL ELECTION COMMISSION****FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** Republican National Committee and MUR: 6105  
Tim Morgan, in his official  
capacity as treasurer

**I. INTRODUCTION**

This matter was generated by a complaint filed with the Federal Election Commission ("Commission") by Citizens for Ethics and Responsibility in Washington. See 2 U.S.C. § 437g(a)(1). For the reasons set forth below, the Commission finds no reason to believe that the Republican National Committee and Tim Morgan, in his official capacity as treasurer, ("RNC") violated 2 U.S.C. § 439a(b)(2)(B) and 11 C.F.R. § 113.1(g).

**II. DISCUSSION**

The complaint alleges that the Republican National Committee and Tim Morgan, in his official capacity as treasurer, ("RNC") violated the personal use prohibitions of 2 U.S.C. § 439a(b) and 11 C.F.R. § 113.1(g), in connection with the RNC's purchase of clothing and accessories for Governor Sarah Palin and her family following her nomination as the Republican vice-presidential candidate. The complaint itself lists purchases of \$144,731 and attaches a chart created by the complainant entitled "RNC 'Campaign Accessory' Expenditures" showing purchases of \$145,914, and a copy of the RNC's Schedule F filed in October 2008, which appears to show all of its coordinated party expenditures on behalf of the Republican presidential campaign, not just the items in question. The complaint also attaches a news article reporting that the purchases cost over \$150,000.

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1           The RNC responded that the personal use prohibitions were not violated because the  
2 RNC used its own funds and not campaign funds of a candidate to purchase the items, and that  
3 the purchases, instead, constituted coordinated party expenditures by the RNC.

4           A contribution accepted by a candidate may be used by the candidate for otherwise  
5 authorized expenditures in connection with the campaign for federal office of the candidate.  
6 See 2 U.S.C. § 439a(a)(1). However, a contribution or donation described in 2 U.S.C.  
7 § 439a(a) shall not be converted by any person to personal use. 2 U.S.C. § 439a(b)(1).  
8 "Personal use" means any use of funds in a campaign account of a present or future candidate to  
9 fulfill a commitment, obligation, or expense of any person that would exist irrespective of the  
10 candidate's campaign . . . [and] includes, but is not limited to the use of funds in a campaign  
11 account for. . . [c]lothing, other than items of *de minimis* value that are used in the campaign."  
12 11 C.F.R. § 113.1(g)(1)(i)(c); see also 2 U.S.C. § 439a(b)(2)(B).

13           The RNC states that it used its own funds to make the expenditures for the clothing and  
14 accessories, and not the funds in the campaign account of any candidate, which is required for  
15 Section 439a to apply. We have no information to the contrary. As such, no candidate funds  
16 were converted to "personal use" with in the meaning of 2 U.S.C. § 439a and 11 C.F.R.  
17 § 113.1(g).

18           Moreover, the response asserts that these expenditures were appropriate coordinated party  
19 expenditures. The RNC, a national party committee, is permitted to make "coordinated party  
20 expenditures," that is, to spend general election funds on behalf of and in coordination with their  
21 presidential candidates' campaigns. 2 U.S.C. § 441a(d). Coordinated party expenditures are  
22 limited in amount and may not consist of funds given directly to the campaigns to use at their  
23 own discretion. 2 U.S.C. §§ 441a(d)(2), (d)(4)(C). The Act provides that "[n]otwithstanding any

1 other provision of law with respect to limitations on expenditures or limitations on contributions,  
2 the national committee of a political party . . . may make expenditures in connection with the  
3 general election campaign of a candidate for federal office." 2 U.S.C. § 441a(d)(1).

4 In this instance, the RNC, paid for the Palin and family campaign-related clothing and  
5 accessories on behalf of and in coordination with the campaign. The RNC reported the  
6 purchases in question as coordinated party expenditures to the Commission on its 2008 October  
7 Monthly report on Schedule F. At that time, it does not appear that the RNC exceeded its  
8 coordinated party expenditure limit of \$19,151,200 for the 2008 general election. See 2 U.S.C.  
9 § 441a(d)(2) and 11 C.F.R. § 109.32.

10 Therefore, there is no reason to believe that the RNC violated 2 U.S.C. § 439a(b)(2)(B)  
11 and 11 C.F.R. § 113.1(g).